

Agreement"), free and clear of liens and encumbrances, (2) the terms and conditions of the proposed Escrow Agreement and Escrow Amount and the Debtor's execution, delivery and performance of the proposed Escrow Agreement, (3) the terms and conditions of the Break-Up Fee, including without limitation, the terms and conditions upon which the Purchaser may be paid the Break-Up Fee, (4) the terms and conditions of the Non-Solicitation Covenant contained in the Purchase Agreement, and (5) the terms and conditions of the Termination Provisions contained in the Purchase Agreement (the "Motion"); it appearing that adequate and proper notice of the hearing on the Motion having been given; the terms and conditions of the Purchase Agreement, including the Escrow Agreement, the Escrow Amount, the Break-Up Fee, Non-Solicitation Covenant, and Termination Provisions having been negotiated in an arm's length transaction and agreed upon by the Debtor in good faith and within the Debtor's business judgment; the Motion having been heard by this Court at a hearing on January 24, 2005 (the "Hearing"); the Court having heard Charles E. Simpson, Esq. of Windels Marx Lane & Mittendorf, LLP, attorneys for the Debtor, in support of the Motion; any and all parties having been given the opportunity to be heard at the Hearing; upon due deliberation thereon, and good and sufficient cause having been shown,

**IT IS HEREBY FOUND AND DETERMINED THAT:<sup>2</sup>**

(a) This Court has jurisdiction to hear and determine the Motion pursuant to 28 USC §§157 and 1334;

(b) Venue of this case in this district is proper pursuant to 28 U.S.C. §§1408 and 1409;

(c) Determination of the Motion is a core proceeding under 28 U.S.C. §157(b)(2);

(d) The statutory predicates for the relief requested herein are §§105 and 363 of the Bankruptcy Code and Rules 2002 and 6004 of the FRBP;

(e) Proper, timely, adequate and sufficient notice of the Hearing and the Motion has been provided to all creditors, interested persons and/or entities in accordance with §§102 and 363 of the Bankruptcy Code and Rules 2002, 6004 and 9006 of the FRBP and no other or further notice of the Hearing or Motion is required;

(f) As demonstrated by the evidence proffered or adduced at the Hearing and the representations of counsel made on the record at the Hearing, the entry into the Purchase Agreement by the Debtor is a reasonable exercise of the Debtor's business judgment and the purchase price and other terms of the Purchase Agreement are fair and reasonable in all respects.

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<sup>2</sup> In accordance with Rule 7052 of the Federal Rules of Bankruptcy Procedure, "findings of Fact" shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate.

Consummation of the sales described in the Purchase Agreement is in the best interests of the Debtor, its creditors, its estate and all other parties in interest. The Debtor has demonstrated sound business purpose and justification for the sale to Purchaser pursuant to §363(b) of the Bankruptcy Code;

(g) The Debtor has the full corporate power and authority to execute the Purchase Agreement and all other documents contemplated thereby and to consummate the sales described therein. No consents, approvals or conditions, other than those expressly provided for in the Purchase Agreement, are required for the Debtor to consummate the transaction described in the Purchase Agreement. The Purchase Agreement is enforceable in accordance with its terms;

(h) The Purchaser is a third party purchaser, unrelated to the Debtor. The Purchase Agreement was negotiated, proposed and entered into by the Debtor and the Purchaser without collusion, in good faith and from arms-length bargaining positions. The Debtor and the Purchaser have not engaged in any conduct that would cause or permit the Purchase Agreement to be avoided or give rise to other recovery against Purchaser under § 363(n) of the Bankruptcy Code;

(i) The Purchaser is a good faith purchaser under §363(m) of the Bankruptcy Code and as such is entitled to all of the protections afforded thereby. The Purchaser will be acting

in good faith within the meaning of §363(m) in closing the transaction contemplated by the Purchase Agreement at all times after entry of this Sale Order;

(j) The Purchaser would not have entered into the Purchase Agreement and will not consummate the transactions contemplated thereby if the sale of the Assigned Licenses and Disaggregated Licenses is not a sale free and clear of all liens, claims, encumbrances or interests of any kind or nature whatsoever;

(k) The Debtor may sell the Assigned Licenses and Disaggregated Licenses described in the Purchase Agreement free and clear of all liens, claims, encumbrances and interests because, in each case, one or more of the standards set forth in §363(f)(1) through (5) of the Bankruptcy Code have been satisfied. Any holder of a lien, claim, encumbrance and/or interest who did not object or who withdrew their objections to the Motion are deemed to have consented pursuant to §363(f)(2). Any holder of a lien, claim, encumbrance and/or interest who did object to the Motion falls within one or more of the subsections of §363(f) and is adequately protected by having its lien, claim, encumbrance and/or interest, if any, attach to the proceeds of the sales;

(l) The transaction provided for and approved hereunder is a transfer in contemplation of a plan of

reorganization/liquidation and shall not, in accordance with §1146(c) of the Bankruptcy Code, be subject to taxation under any federal, state or local law imposing a stamp, transfer or similar tax; and

(m) The transfer of the Assigned Licenses and the Disaggregated Licenses to the Purchaser under the terms of the Purchase Agreement will not subject the Purchaser to any liability whatsoever with respect to the operation of the Debtor's business prior to the closing date or by reason of such transfer under the laws of the United States, any state, territory or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including without limitation any theory of equitable subordination or successor or transferee liability.

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

1. The Motion is hereby GRANTED and APPROVED in all respects.

2. All objections to the Motion or the relief requested therein that have not been withdrawn, waived, or settled and all reservations of rights included therein (except those which are specifically set forth in this Sale Order), are hereby overruled on the merits.

3. The Purchase Agreement, all of the terms and conditions contained therein, and all related agreements are

approved in all respects. Failure to specifically include any particular provision of the Purchase Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety.

4. The Debtor and each and every other person having duties or responsibilities under the Purchase Agreement or this Sale Order, and their respective members, managers, directors, officers, agents, representatives and attorneys are authorized, empowered and directed to execute, deliver and carry-out all of the provisions of the Purchase Agreement and any related agreements, and to take any action contemplated by the Purchase Agreement or this Sale Order, and to issue, execute, deliver, file and record, as appropriate, such other contracts, instruments, releases, deeds, bills of sale, assignments or other agreements, and to perform such other acts as are consistent with and necessary or appropriate to implement, effectuate and consummate the Purchase Agreement and this Sale Order and the transactions contemplated thereby and hereby, all without further application to the Bankruptcy Court or further action by the Debtor's members, managers, directors or stockholders. Without limiting the generality of the foregoing, subject to the terms and conditions of the Purchase Agreement, this Sale Order shall constitute all approvals and consents, if

any, required by applicable business, corporation, limited liability, trust and other laws of applicable governmental units with respect to the implementation and consummation of the Purchase Agreement and this Sale Order and the transactions contemplated thereby and hereby.

5. Pursuant to §§105(a) and 363(f) of the Bankruptcy Code, the Assigned Licenses and Disaggregated Licenses shall be transferred to the Purchaser under the terms of the Purchase Agreement and as of the Closing Date, shall be free and clear of all liens, claims, encumbrances and interests with all such liens, claims, encumbrances and interests to attach to the proceeds of the sale in the order of their priority, with the same validity, force and effect which they now have against the Assigned Licenses and Disaggregated Licenses, subject to any claims and defenses the Debtor may possess with respect thereto.

6. The transfer of the Assigned Licenses and Disaggregated Licenses to Purchaser pursuant to the Purchase Agreement constitutes a legal, valid and effective transfer of such licenses and shall vest the Purchaser with all the right, title and interest of the Debtor in and to same. Except as expressly permitted or otherwise specifically provided by the Purchase Agreement or this Sale Order, all persons and entities, including but not limited to, all debt security holders, equity security holders, governmental, tax and regulatory authorities,

including the U.S. Federal Communications Commission (the "FCC"), lenders, trade and other creditors, holding liens, claims and encumbrances against, or interests in, the Debtor or the Assigned Licenses and/or Disaggregated Licenses (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to the Debtor, the Assigned Licenses and/or the Disaggregated Licenses, the operation of the Debtor's business prior to the Closing Date or the transfer of the Assigned Licenses and the Disaggregated Licenses to the Purchaser, are hereby forever barred, estopped and permanently enjoined from asserting against the Purchaser or its successors or assigns, their property, the Assigned Licenses or the Disaggregated Licenses, such persons' or entities' liens, claims, encumbrances and/or interests.

7. This Sale Order (i) shall be effective as a determination that, on the Closing Date, all liens, claims or encumbrances against, or interests in, the Assigned Licenses and the Disaggregated Licenses prior to the Closing Date, are unconditionally released, discharged and terminated, and that the conveyances described herein have been effected, and (ii) shall be binding upon and shall govern the acts of all entities, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages,



recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to the Assigned Licenses or Disaggregated Licenses.

8. Following the Closing Date, no holder of a lien, claim or encumbrance against, or interest in, the Debtor, the Assigned Licenses or Disaggregated Licenses that existed on or before the Closing Date shall interfere with the Purchasers' title or use and enjoyment of the Assigned Licenses and Disaggregated Licenses based on or related to such liens, claims, encumbrances or interests.

9. On the Closing Date, each of the Debtor's creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its liens, claims or encumbrances against, or interests in, the Assigned Licenses and Disaggregated Licenses, if any, as such liens, claims, encumbrances or interests may have been recorded or may otherwise exist.

10. If any person or entity that has filed financing statements, mortgages, liens, *lis pendens* or other documents or

agreements evidencing liens, claims or encumbrances against, or interests in, the Debtor, the Assigned Licenses or Disaggregated Licenses shall not have delivered to the Debtor prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction or other appropriate releases, then the Debtor is authorized and directed, and the Purchaser is authorized, to execute and file such statements, instruments, releases or other documents on behalf of the person or entity with respect to the Assigned Licenses or Disaggregated Licenses and the Purchaser is hereby authorized to file, register or otherwise record a certified copy of the Sale Order which shall constitute conclusive evidence of the release of all liens, claims or encumbrances against, or interests in, the Assigned Licenses and the Disaggregated Licenses of any kind or nature whatsoever.

11. Each and every federal, state and local governmental agency or department, including the FCC, is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

12. The Purchaser shall not have any liability or responsibility for any liability or obligation of the Debtor arising under or related to the Assigned Licenses or Disaggregated Licenses. The transfer of the Assigned Licenses

and Disaggregated Licenses pursuant to the Purchase Agreement shall not subject the Purchaser to any liability with respect to the operation of the Debtor's business (including, without limitation, any liability or FCC cost-sharing obligations in respect of the Assigned Licenses or Disaggregated Licenses) or by reason of such transfer under the laws of the United States, any state, territory or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including without limitation, any theory of equitable subordination or successor or transferee liability.

13. The transfer of the Assigned Licenses and Disaggregated Licenses pursuant to the Purchase Agreement is a transfer pursuant to §1146(c) of the Bankruptcy Code and shall not be taxed under any law imposing a stamp tax or any other similar tax.

14. The consideration provided by the Purchaser for the Assigned Licenses and Disaggregated Licenses under the Purchase Agreement shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession or the District of Columbia.

15. Nothing contained in any plan of reorganization or liquidation confirmed in these cases or in any order of this

Court confirming such plan shall conflict with or derogate from the provisions of the Purchase Agreement or the terms of this Sale Order.

16. The transaction contemplated by the Purchase Agreement is undertaken by the Purchaser in good faith as that term is used in §363(m) of the Bankruptcy Code, and accordingly, a reversal in modification on appeal of this Sale Order shall not affect the validity of the sale of the Assigned Licenses and Disaggregated Licenses to the Purchaser, unless this Sale Order is stayed pending such appeal. The Purchaser is a good faith purchaser and is entitled to all of the protections afforded by §363(m).

17. The terms and provisions of the Purchase Agreement and this Sale Order shall be binding in all respects upon and shall inure to the benefit of the Purchaser, the Debtor, its estate and creditors and their respective affiliates, successors and assigns and any affected third parties including but not limited to all persons asserting liens, claims or encumbrances against, or interests in, the Assigned Licenses and/or Disaggregated Licenses, including any trustee subsequently appointed under any chapter of the Bankruptcy Code.

18. The Purchase Agreement and related agreements, documents or other instruments may be modified, amended or

supplemented by the parties thereto, in a writing signed by both parties, in accordance with the terms thereof, without further Order of the Court, provided that (i) any such modification, amendment or supplement does not have a material adverse effect on the Debtor's estate and (ii) the Debtor provides written notice of same to counsel for the FCC.

19. Notwithstanding anything herein to the contrary, the FCC's regulatory authority, including without limitation its authority under the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder, are fully preserved, and nothing contained in this Sale Order, the Purchase Agreement or any ancillary document contemplated therein shall prescribe or constrain the FCC's exercise of its regulatory authority.

20. As provided by Rule 6004(g) of the FRBP, this Sale Order shall not be stayed for ten (10) days after its entry, it shall be effective and enforceable immediately.

Dated: New York, New York  
March 24, 2005

S/ Robert E. Gerber  
United States Bankruptcy Judge

## SETTLEMENT AGREEMENT

This agreement (this "Agreement"), dated March 14, 2005 is by and between Urban Communicators PCS Limited Partnership, Debtor-in-Possession, Urban Comm-Mid-Atlantic, Inc., Debtor-in-Possession, and Urban Comm-North Carolina, Inc., Debtor-in-Possession (individually or collectively, "Urban Comm" or the "Debtors"), on the one hand, and the Federal Communications Commission (the "FCC"), on the other hand (Urban Comm and the FCC are collectively referred to as the "Parties" or individually as a "Party"). Except as otherwise expressly provided herein, capitalized terms used in this Agreement shall have the meanings set forth in section 1 below.

### RECITAL

WHEREAS, on October 28, 1998 (the "Petition Date"), Urban Comm-North Carolina, Inc., Debtor-in-Possession ("UC-NC") filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"); and

WHEREAS, on November 5, 1998, Urban Communicators PCS Limited Partnership ("UC-LP") and Urban Comm-Mid-Atlantic, Inc. ("UC-MA") filed their voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court; and

WHEREAS, on or about February 17, 1999, UC-NC instituted an adversary proceeding against the FCC in the Bankruptcy Court ("Adversary Proceeding"); and

WHEREAS, on or about May 28, 1999, the FCC filed a proof of claim in the Bankruptcy Court against UC-NC, asserting a secured claim in the amount of \$79,673,661 ("Proof of Claim"), representing UC-NC's outstanding obligation to the FCC for the conditional grant of licenses to operate broadband personal communications services (the "Licenses"); and

WHEREAS, on or about October 22, 2004, Debtors filed an application with the Bankruptcy Court for an interim order authorizing and approving, *inter alia*, the Debtors to enter into a proposed stock purchase agreement (the "Triton Stock Purchase Agreement") with Triton PCS Holdings, Inc. ("Triton") with respect to the sale and transfer of Urban Comm's rights and interest in the stock of UC-NC and thereby transferring certain of the Licenses as set forth on Exhibit B attached hereto (the "Triton Licenses"); and

WHEREAS, on or about December 1, 2004, the Bankruptcy Court entered an Order Approving the Terms and Conditions of the Proposed Stock Purchase Agreement, Break-Up Fee, Non-Solicitation Covenant, Good Faith Deposit Terms and Conditions and Termination Fee Terms and Conditions; and

WHEREAS, on or about December 22, 2004, UC-NC entered into an Agreement to Purchase FCC Licenses ("Verizon Sale Agreement"), with Celco Partnership, d/b/a Verizon Wireless ("Verizon"), for the transfer of UC-NC's rights and interests in certain of the Licenses as set forth on Exhibit B attached hereto (the "Verizon Licenses"); and

WHEREAS, on or about January 24, 2005, the Bankruptcy Court entered an Order Authorizing and Approving the Sale of Certain PCS Licenses to Celco Partnership d/b/a Verizon Wireless, Free and Clear of Liens and Encumbrances, pursuant to the Verizon Sale Agreement; and

WHEREAS, this Agreement is intended to resolve any and all outstanding claims, issues and disputes based on facts and circumstances existing as of the date hereof, whether or not such claims, issues and disputes have been advanced or are currently outstanding between the Parties with respect to the Licenses, the Adversary Proceeding, the Proof of Claim, Urban Comm's Chapter 11 cases (the "Chapter 11 Cases"), and any actions taken with respect to the Licenses or within the Chapter 11 Cases (collectively, the "Urban Comm Related Matters"), subject to Bankruptcy Court approval and the Parties' rights under this Agreement;

NOW, THEREFORE, in consideration of the foregoing, and the mutual representations, covenants, agreements and conditions contained herein, the Parties hereby agree as follows:

1. Defined Terms. The following terms have the following meanings when used herein with initial capital letters:

(a) "Adversary Proceeding" - has the meaning set forth in the recitals.

(b) "Affiliate" - shall mean with respect to any Person, any Person that directly or indirectly: (i) controls; (ii) is controlled by; or (iii) is under common control with such Person. Without limiting the generality of the foregoing, Affiliate shall include any Person meeting the definition of "Affiliate" in either (x) Section 101(2) of the Bankruptcy Code or (y) Section 12b-2 of the rules and regulations under the Securities Exchange Act of 1934, as amended.

(c) "Agreement" - has the meaning set forth in the preamble.

(d) "Agreement Effectiveness Date" - has the meaning set forth in section 12.

(e) "Alternative Cash Payment" - means a cash payment for a License(s) made directly to the FCC in the amount set forth in column A of Exhibit C to this Agreement with respect to such License(s), together with all interest that has accrued with respect to such License(s) from and including January 1, 2005, through and including the date of the Closing of the transaction involving that License, or, if the License is sold pursuant to the Bankruptcy Court Auction, the date that is six months from the date upon which the Bankruptcy Court Auction concludes, whichever is earlier, at the per diem interest amount set forth in column B of Exhibit C with respect to each License.

- (f) "Alternative Transaction" - has the meaning set forth in section 4.
- (g) "Alternative Transaction Licenses" - has the meaning set forth in section 4.
- (h) "Bankruptcy Code" - means title 11 of the United States Code.
- (i) "Bankruptcy Court" - has the meaning set forth in the recitals.
- (j) "Bankruptcy Court Auction" - has the meaning set forth in section 4.
- (k) "Bidding Procedures Order" - means a Final Order of the Bankruptcy Court setting forth the procedures that will govern the Bankruptcy Court Auction.
- (l) "Business Day" - means any day other than Saturday, Sunday and any day that is a federal holiday or a day on which banking institutions in New York, New York are authorized by federal law to close.
- (m) "Chapter 11 Cases" - has the meaning set forth in the recitals.
- (n) "Closing" - means the closing of a Sale.
- (o) "Confirmation Order" - means the order of the Bankruptcy Court confirming a Plan in the Chapter 11 Cases.
- (p) "Debtors" - has the meaning set forth in the preamble.
- (q) "FCC" - has the meaning set forth in the preamble.
- (r) "Final Order" - shall mean an action taken or order issued by any foreign, federal, state, local or other governmental authority or regulatory body, including, without limitation, the Bankruptcy Court and the FCC (a "Governmental Body"), as applicable, as to which: (i) no request for stay of the action or order is pending, no such stay is in effect, and, if any deadline for filing any such request is designated by statute, rule or regulation, such deadline has passed, including any extensions thereof; (ii) no appeal is pending and the time for filing any such appeal has passed; and (iii) the Governmental Body does not have the action or order under reconsideration or review on its own motion and the time for such reconsideration or review has passed.
- (s) "Governmental Body" - has the meaning set forth in the definition of Final Order above.
- (t) "Licenses" - has the meaning set forth in the recitals and are listed on Exhibit A.



- (u) "Marketing Period" – has the meaning set forth in section 4.
- (v) "Minimum Bid" – means an amount equal to the amount of the Alternative Cash Payment with respect to each License.
- (w) "Other Claimants" – has the meaning set forth in section 6.
- (x) "Party" or "Parties" – has the meaning set forth in the preamble.
- (y) "Person" – means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated association, corporation, limited liability company, entity or governmental entity (whether foreign, federal, state, county, city or otherwise and including any instrumentality, division, agency or department thereof).
- (z) "Petition Date" – has the meaning set forth in the recitals.
- (aa) "Plan" – means a plan of reorganization or liquidation confirmed by order of the Bankruptcy Court in the Chapter 11 Cases.
- (bb) "Proof of Claim" – has the meaning set forth in the recitals and as set forth on Exhibit D attached hereto.
- (cc) "Purchaser" – means any Person who enters into a Sale Agreement with Urban Comm for the Transfer of one or more of the Licenses.
- (dd) "Remaining Licenses" – has the meaning set forth in section 4.
- (ee) "Sale" – means the Transfer of Urban Comm's rights and interests in any of the Licenses to a Purchaser.
- (ff) "Sale Agreement" – means any agreement executed by Urban Comm that provides, directly or indirectly, for the Transfer of Urban Comm's rights and interests in any of the Licenses to a Purchaser.
- (gg) "Sale Order" – means a Final Order of the Bankruptcy Court approving a Sale, whether in the form of a Confirmation Order or otherwise.
- (hh) "Settlement Approval Order" – means a Final Order of the Bankruptcy Court, entered after notice and a hearing in accordance with Rule 9019 of the Federal Rules of Bankruptcy Procedure, approving this Agreement and incorporating the terms hereof without modification.
- (ii) "Transfer" – means the direct or indirect sale, transfer, pledge, grant of lien, assignment, lease or any other disposition, whether by sale, merger, auction, tender offer, joint venture, purchase of stock or any other form of transaction, and whether in one or a series of related transactions.

2. (jj) "Triton Cash Payment" – has the meaning set forth in section
- (kk) "Triton Licenses" – has the meaning set forth in the recitals.
- (ll) "Triton Stock Purchase Agreement" – has the meaning set forth in the recitals.
- (mm) "Triton Sale" – means the Sale of all of the Triton Licenses to Triton pursuant to the Triton Stock Purchase Agreement.
- (nn) "Urban Comm" – has the meaning set forth in the preamble.
- (oo) "Urban Comm Claimants" – has the meaning set forth in section 6.
- (pp) "Urban Comm Related Matters" – has the meaning set forth in the recitals.
- (qq) "Verizon Cash Payment" – has the meaning set forth in section 3.
- (rr) "Verizon Licenses" – has the meaning set forth in the recitals.
- (ss) "Verizon Sale" – means the Sale of all of the Verizon Licenses to Verizon pursuant to the Verizon Sale Agreement.
- (tt) "Verizon Sale Agreement" – has the meaning set forth in the recitals.

2. Cash Payment with Respect to Sale of Triton Licenses. At the Closing of the Triton Sale, and as a condition of FCC approval of any Transfer of the Triton Licenses, Urban Comm shall require that Triton pay directly to the FCC \$49,937,276.86, plus all interest accruing from and including January 1, 2005, through and including the date of Closing at the per diem amounts set forth in Exhibit B (collectively, the "Triton Cash Payment"). Notwithstanding the foregoing, provided that Urban Comm and Triton file a complete application with the FCC seeking regulatory approval for the Transfer of the Triton Licenses, including any necessary requests for regulatory waivers and other relief, prior to March 22, 2005, and the FCC has not taken dispositive action on such application for regulatory approval of the Transfer of the Triton Licenses by June 7, 2005, then the interest described in the preceding sentence shall not accrue for the period from and including June 8, 2005, until and including the date upon which the FCC acts upon the Transfer application and such action becomes a Final Order. The Triton Cash Payment shall be free and clear of any liens, claims, encumbrances, rights or interests, and shall in any event be made prior to any distribution to Urban Comm of the balance of the sale proceeds.

3. Cash Payment with Respect to Sale of Verizon Licenses. At the Closing of the Verizon Sale, and as a condition of FCC approval of any Transfer of the Verizon

Licenses, Urban Comm shall require that Verizon pay directly to the FCC \$43,676,775.09, plus all interest accruing from and including January 1, 2005, through and including the date of Closing at the per diem amounts set forth in Exhibit B (collectively, the "Verizon Cash Payment"). Notwithstanding the foregoing, provided that Urban Comm and Verizon file a complete application with the FCC seeking regulatory approval for the Transfer of the Verizon Licenses, including any necessary requests for regulatory waivers and other relief, prior to March 22, 2005, and the FCC has not taken dispositive action on such application for regulatory approval of the Transfer of the Verizon Licenses by June 7, 2005, then the interest described in the preceding sentence shall not accrue for the period from and including June 8, 2005, until and including the date upon which the FCC acts upon the Transfer application and such action becomes a Final Order. The Verizon Cash Payment shall be free and clear of any liens, claims, encumbrances, rights or interests, and shall in any event be made prior to any distribution to Urban Comm of the balance of the sale proceeds.

4. Disposition of Unsold Licenses.

- (a) In the event that either or both the Verizon Sale Agreement and the Triton Stock Purchase Agreement terminate(s), Urban Comm shall have one year from the date of written notice of such termination or from the date that termination occurs pursuant to the relevant agreement, whichever is earlier, ("Marketing Period") (i) to enter into one or more transactions (each, an "Alternative Transaction") that proposes to Transfer one or more of the Licenses that were the subject of the terminated transaction ("Alternative Transaction Licenses"), (ii) to secure a Sale Order approving any such Alternative Transaction, and (iii) to file an application with the FCC for regulatory approval of any such Alternative Transaction. Debtors agree that they shall advise the FCC, in writing, promptly and, in any event, within one Business Day of the termination of either the Triton Stock Purchase Agreement or the Verizon Sale Agreement, and attach a copy of any termination notice, agreement or other termination instrument.
- (b) Any Alternative Transaction License that is not the subject of an Alternative Transaction in accordance with the provisions of Section 4(a) hereof by the end of the Marketing Period shall be subject to a public auction in the Bankruptcy Court in accordance with section 363 of the Bankruptcy Code, which auction must be held within 60 days of the end of the Marketing Period ("Bankruptcy Court Auction"). The FCC and Urban Comm shall jointly submit for Bankruptcy Court approval proposed procedures governing the Bankruptcy Court Auction.
- (c) Any Bidding Procedures Order shall provide, *inter alia*, that (i) no License shall be sold in the Bankruptcy Court Auction for less than the Minimum Bid for each License; (ii) any License for which no Minimum Bid has been submitted shall, at the conclusion of the Bankruptcy Court Auction, be cancelled, rescinded and deemed returned to the FCC pursuant to section 4(e) hereof; (iii) the Transfer of Licenses pursuant to the Bankruptcy Court

Auction will be contingent upon, and shall not proceed to Closing unless and until the issuance of FCC regulatory approval of such Transfer; and (iv) Urban Comm shall file with the FCC an application for regulatory approval of any Sale resulting from the auction within one week following the close of the auction.

- (d) In the event that License(s) are Transferred pursuant to either an Alternative Transaction or a Bankruptcy Court Auction, Urban Comm shall require that the Purchaser pay directly to the FCC an Alternative Cash Payment at the Closing of, and as a condition of FCC approval of, any Transfer of such License(s). The Alternative Cash Payment shall be free and clear of any liens, claims, encumbrances, rights or interests, and shall in any event be made prior to any distribution to Urban Comm of the balance of the sale proceeds.
- (e) Any Alternative Transaction License that has not been Transferred pursuant to an Alternative Transaction or Bankruptcy Court Auction (the "Remaining Licenses") shall be, without any further action by Urban Comm and the FCC, including also, but not limited to, any further approval by the Bankruptcy Court, cancelled, rescinded and returned to the FCC, and neither Urban Comm, the Urban Comm Claimants, the Other Claimants, nor any other Person shall have any claim, liens, rights, or interest in or with respect to the returned Licenses, the spectrum underlying same or any proceeds thereof. The return to the FCC of the Remaining Licenses shall constitute full satisfaction of the FCC's Proof of Claim with respect to such Remaining License(s).

5. Transfer of Licenses Contingent Upon Receipt of FCC Regulatory Approval and Direct Payment. The Confirmation Order, any Sale Order (if different than the Confirmation Order), any Bidding Procedures Order and the Settlement Approval Order shall provide, in a manner reasonably acceptable to the FCC, that no Transfer of any rights and interests of any UrbanComm entity in any of the Licenses shall take place prior to (i) the issuance of FCC regulatory approval and, with respect to the FCC's regulatory approval, notwithstanding anything herein to the contrary, the FCC's regulatory authority, including without limitation its authority under the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder, are fully preserved, and nothing contained in this Agreement, any Confirmation Order, any Sale Order (if different than the Confirmation Order), any Bidding Procedures Order, or any ancillary document contemplated therein shall prescribe or constrain the FCC's exercise of its regulatory authority; and (ii) the receipt by the FCC of the applicable direct cash payments referenced in sections 2, 3 and 4 hereof.

6. Mutual Releases and Waivers.

- (a) Urban Comm. Upon the Agreement Effectiveness Date, Urban Comm, for itself and on behalf of any party or person (including, without limitation, any past or present, direct or indirect member, stockholder, owner, and affiliate thereof and each past and present, direct or indirect, officer, director,

manager, partner, principal, agent, servant, employee, representative, advisor, attorney or creditor) claiming through Urban Comm or by reason of any damage to Urban Comm and/or damage resulting from affiliation or in connection with Urban Comm (the "Urban Comm Claimants") and all past or present creditors, equity and other interestholders (the "Other Claimants"), forever release, waive and discharge as against the FCC and/or the United States and each and every past and present, direct or indirect principal, agent, servant, staff, employee, representative, advisor and attorney of the FCC and/or the United States any and all claims, obligations, suits, judgments, liens, damages, demands, debts, rights, interests, causes of actions, liabilities, losses, costs and expenses, of any kind, character or nature whatsoever, whether liquidated or unliquidated, direct or derivative, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, now existing or which the Urban Comm Claimants or the Other Claimants believe to now exist, or hereafter arising in law, equity and otherwise, with respect to the Urban Comm Related Matters, that are based in whole or in part on any act, commission, omission, transaction, or other occurrence or circumstance existing or occurring prior to the date of entry of the Settlement Approval Order, except for Urban Comm's rights under this Agreement. As set forth in section 12 below, it is a condition precedent to the effectiveness of this Agreement that the FCC and the United States be released, to the same extent as the foregoing Urban Comm release, from all claims, if any, held by the Other Claimants relating to or arising from the Urban Comm Related Matters on any basis; this condition precedent shall be deemed conclusively established upon the date any order approving this Agreement and containing these releases becomes a Final Order. Urban Comm shall provide notice of the settlement embodied in this Agreement (including the proposed releases of the FCC and the United States contained herein) to (i) all creditors of the Urban Comm estates; (ii) all equity and other interestholders of record; and (iii) all parties requesting notice in these Chapter 11 Cases.

- (b) FCC. Upon the Agreement Effectiveness Date, the FCC and the United States, for itself and on behalf of each and every past and present, direct or indirect, principal, agent, servant, staff, employee, representative, advisor and attorney of the FCC and the United States, forever release, waive and discharge as against Urban Comm and each and every past and present, direct or indirect, member, stockholder, owner, and affiliate thereof and each past and present, direct or indirect, officer, director, manager, partner, principal, agent, servant, employee, representative, advisor, attorney or creditor of Urban Comm, the Urban Comm Claimants and the Other Claimants, any and all claims, obligations, suits, judgments, liens, damages, demands, debts, rights, interests, causes of action, liabilities, losses, costs and expenses, of any kind, character or nature whatsoever, whether liquidated or unliquidated, direct or derivative, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, now existing or which the FCC and/or the United States believe to now exist, or hereafter arising in law, equity and otherwise, with respect to the Urban Comm Related Matters, that are based in whole or in part on any act, commission, omission, transaction or other

occurrence or circumstance existing or occurring prior to the date of entry of the Settlement Approval Order, on any basis, except that the FCC and the United States specifically reserve their rights with respect to (x) federal taxes or enforcement of the criminal, environmental, securities, fraud, labor, employment (including ERISA) or antitrust laws of the United States, (y) any action by the FCC pursuant to its regulatory authority over Urban Comm as an FCC licensee (or former licensee) of the Licenses, including without limitation, its authority under the Communications Act of 1934, as amended, and the FCC rules, regulations, policies and decisions, and (z) any rights under this Agreement.

7. **Inconsistent Agreements.** Neither Urban Comm nor the FCC shall seek to confirm or be party to any Plan or other proceeding that contains any terms inconsistent with, or that would impair or interfere with any Party's rights or obligations under this Agreement, including, without limitation, the provisions of paragraphs 4 and 15 herein. Urban Comm shall not enter into or suffer to exist any transaction, agreement or Transfer that contains terms inconsistent with or that would impair or interfere with Urban Comm's obligations or the FCC's rights under this Agreement.
8. **Representations, Warranties and Covenants.** Urban Comm represents and warrants that, subject to Bankruptcy Court approval, (a) Urban Comm has the right, power, legal capacity and authority to execute and deliver this Agreement, (b) this Agreement has been duly authorized by all necessary corporate action and (c) this Agreement has been duly executed and delivered by Urban Comm.
9. **Sales Contingent upon Approval of the Settlement Agreement.** The Verizon and Triton Sales are contingent upon and shall not proceed to Closing unless and until there is an entry of a Settlement Approval Order that has become a Final Order. Notwithstanding anything to the contrary herein, in particular sections 12 and 13 hereof, this provision shall become binding upon the Parties upon execution of this Agreement.
10. **Reservation of Rights.** Subsequent to the Settlement Approval Order becoming a Final Order, and upon any Sale Order becoming a Final Order, the FCC shall undertake to review any request filed by Urban Comm and/or the Purchaser (including but not limited to any request related to the payment requirements of 47 C.F.R. §§1.2111 and 24.714) arising in connection with the Transfer that is the subject of the Sale Order. This Agreement does not constitute approval of any such request, however, nor does this Agreement guarantee FCC approval of any such request. In particular, without limitation of the foregoing, nothing in this Agreement shall be interpreted to constitute or guarantee FCC approval of the Transfer of any License(s). The Parties further acknowledge and agree that this Agreement does not limit in any respect, and the FCC expressly reserves, the FCC's exercise of its regulatory powers and process with respect to the Licenses, including, without limitation, with respect to any applications to transfer, assign, lease or dispose of any rights or interests in any License and any related requests for relief, which may be filed by Urban Comm and/or any other party in interest subsequent hereto.

11. **Adversary Proceeding.** The Settlement Approval Order shall provide that the Adversary Proceeding is dismissed with prejudice, with respect to the causes of action stated therein, without costs or attorney's fees to any Party.
12. **Conditions to Effectiveness of this Agreement.** This Agreement shall not become effective unless and until all of the following conditions precedent have been met: (i) a Settlement Approval Order is entered that contains the releases in section 6 above, which are binding upon all releasing Parties set forth herein and therein, including without limitation, the Other Claimants, covering all claims relating to the Urban Comm Related Matters, if any, held by the Other Claimants; (ii) the Settlement Approval Order has become a Final Order; and (iii) the Parties have received all appropriate and necessary approvals by the United States Department of Justice of the settlement proposed in this Agreement. The first date upon which all of the conditions set forth in this section have been met is the "Agreement Effectiveness Date."
13. **Binding Agreement.** This Agreement is binding upon the occurrence of the Agreement Effectiveness Date. This Agreement shall be binding upon Urban Comm's successors and assigns.
14. **Further Assurances.** Urban Comm agrees that in connection with and as a condition of any Transfer of its rights and interests in any License to any of its parent, subsidiary, Affiliate, or successor entities, each such parent, subsidiary, Affiliate, or successor entity shall, or Urban Comm shall cause each such parent, subsidiary, Affiliate or successor entity to agree in writing to be bound by the terms of this Agreement as if it were a Party to this Agreement and shall forward promptly a copy of such agreement to the FCC.
15. **Additional Consideration.** Notwithstanding anything to the contrary contained herein, in the event that Urban Comm receives a letter of intent or enters into a term sheet or Sale Agreement for the Transfer of Licenses pursuant to which Urban Comm will receive consideration different from, or in excess of, the consideration outlined in the Verizon Sale Agreement or the Triton Stock Purchase Agreement, the FCC shall be given notice in writing and shall have the option of determining, within 10 Business Days from the date that it is notified in writing of a change in the consideration and in the exercise of its sole discretion, that the cash payments referenced in sections 2, 3 and 4 of this Agreement do not constitute sufficient consideration for its claims in the Licenses. If the FCC makes such a determination, (i) the Parties shall negotiate in good faith the allocation to the FCC of additional cash proceeds from the Sale of the Licenses; and (ii) the amount due and owing to the FCC under sections 2, 3 and 4 of this Agreement shall be automatically amended to include any additional negotiated amount. Debtors agree that they shall promptly, and in any event within one Business Day, advise the FCC, in writing, of any and all changes to the consideration to be paid for any of the Licenses.
16. **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

17. **Notice.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given: (a) on the date of service if served personally on the Party to whom notice is to be given; (b) on the day of transmission if sent via facsimile transmission to the facsimile number given below, and telephonic confirmation of receipt is obtained promptly after completion of transmission; or (c) on the day after delivery to Federal Express or similar overnight courier service, prepaid and properly addressed, to the Party as follows:

(a) If to Urban Comm:

Urban Communicators PCS Limited  
Partnership  
11 Penn Plaza, 16<sup>th</sup> Floor  
New York, New York 10018  
Attn: Mr. Sydney L. Small

With a copy to:

Windels Marx Lane & Mittendorf, LLP  
156 West 56<sup>th</sup> Street  
New York, New York 10019  
Attn: Charles E. Simpson, Esq.

(b) If to the FCC:

United States Attorney's Office,  
S.D.N.Y.,  
Civil Division  
86 Chambers St. 3<sup>rd</sup> Floor  
New York, NY 10007  
Attn: Jeannette A. Vargas & David S.  
Jones  
Tel: (212) 637-2678  
Facsimile: (212) 637-2702

With a hard copy and facsimile copy  
to:

Federal Communications Commission  
General Counsel  
Office of the General Counsel  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554  
Tel: (202) 418-1700  
Facsimile: (202) 418-2822

Federal Communications Commission  
Managing Director  
Office of Managing Director  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554  
Tel: (202) 418-1919  
Facsimile: (202) 418-2808

18. **Counterparts.** This Agreement may be executed in one or more counterparts (including by means of facsimile), each of which shall be deemed an original but all of which together shall constitute one and the same instrument.



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date set forth above by their authorized representatives as indicated below.

**URBAN COMMUNICATORS  
PCS LIMITED PARTNERSHIP**

**URBAN COMM-NORTH CAROLINA  
INC.**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**URBAN COMM-MID ATLANTIC, INC.**

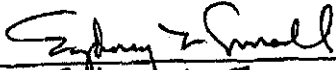
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**FEDERAL COMMUNICATIONS  
COMMISSION  
David N. Kelley  
United States Attorney For The  
Southern District Of New York**

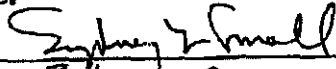
By: Jeannette A. Vargas  
Assistant U.S. Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date set forth above by their authorized representatives as indicated below.

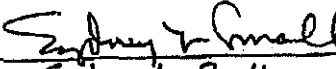
**URBAN COMMUNICATORS  
PCS LIMITED PARTNERSHIP**

  
By: Sydney L. Small  
Its: Chairman and Chief Executive Officer

**URBAN COMM-NORTH CAROLINA  
INC.**

  
By: Sydney L. Small  
Its: President and Chief Executive Officer

**URBAN COMM-MID ATLANTIC, INC.**

  
By: Sydney L. Small  
Its: President and Chief Executive Officer

**FEDERAL COMMUNICATIONS  
COMMISSION  
David N. Kelley  
United States Attorney For The  
Southern District Of New York**

\_\_\_\_\_  
By: Jeannette A. Vargas  
Assistant U.S. Attorney

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date set forth above by their authorized representatives as indicated below.

URBAN COMMUNICATORS  
PCS LIMITED PARTNERSHIP  
CAROLINA

URBAN COMM-NORTH  
INC.


By: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

URBAN COMM-MID ATLANTIC, INC.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

FEDERAL COMMUNICATIONS  
COMMISSION  
David N. Kelley  
United States Attorney For The  
Southern District Of New York

  
By: Jeannette A. Vargas  
Assistant U.S. Attorney